

SUBJECT: Emergency appropriation to TNRCC from the waste tire recycling fund

COMMITTEE: Appropriations — committee substitute recommended

VOTE: 18 ayes — Junell, Delisi, Coleman, Cook, H. Cuellar, R. Cuellar, Davis, Gallego, Glaze, Gray, Heflin, Hernandez, Johnson, Kubiak, McDonald, Mowery, Raymond, Swinford

0 nays

9 absent — Carona, Clemons, Conley, Greenberg, Haggerty, Harris, Ogden, Park, S. Turner

SENATE VOTE: On final passage, March 23 — 30-0

WITNESSES: For — None

Against — None

On — Dan Pearson, Texas Natural Resource Conservation Committee; Jennifer Sidnell, TNRCC Waste Tire Recycling Program.

BACKGROUND: The Waste Tire Recycling Fund (WTRF) is a dedicated fund in the general revenue fund established to compensate entities that process used tires. The WTRF may only be used to reimburse processors for shredding tires, administrative costs of the TNRCC (not to exceed 6 percent of total receipts) and the administrative costs of the state comptroller (not to exceed 2 percent of total receipts). The WTRF is funded by a \$2 fee added to the price of most new tires and a \$3.50 fee added to the price of new truck tires.

DIGEST: SB 776 would appropriate to TNRCC \$9.34 million from the waste tire recycling fund, in addition to amounts previously appropriated for fiscal 1994-95.

The appropriation would take effect only if HB 2846 or SB 1440 (which would revise the waste tire recycling program) are enacted.

SUPPORTERS
SAY:

The waste tire recycling program faces a substantial funds shortfall because appropriations to TNRCC for the current fiscal period were about \$10.9 million less than the fee collections on tire sales. Tire processors have filed claims for reimbursement that TNRCC cannot meet unless the Legislature appropriates to the agency funds now in the WTRF. CSSB 776 would merely implement a necessary accounting procedure to continue the waste tire recycling program.

Of the \$10.9 million in unappropriated anticipated fee revenue, \$1.565 million would come from a balance from fiscal 1994 that had been counted in the comptroller's budget certification. The remaining \$9.34 million in estimated revenue for fiscal 1995 was not counted by the comptroller for certification purposes, and that amount, therefore, would be appropriated rather than the full \$10.9 million available.

OPPONENTS
SAY:

No apparent opposition

NOTES:

The substitute made the emergency appropriation contingent upon passage of HB 2846 by Saunders or SB 1440 by Brown, which would revise the waste tire recycling program by adding a fee for good used tires, including waste tire energy recovery facilities and waste tire recyclers in the program and making other changes. HB 2846 is pending in House Environmental Regulation Committee, and SB 1440 was set for a public hearing in the Senate Natural Resources Committee on April 25.

The Senate amended SB 776 on the floor to change \$10.9 million to \$9.34 million.